

LETTER

TO

SIR JOHN LUBBOCK, BART.,

PRESIDENT

Second Congress of Chambers of Commerce and Boards of
Trade of the Empire, 1892.

BY

SANDFORD FLEMING, C.M.G.,

DELEGATE OF THE BOARD OF TRADE OF THE CITY OF OTTAWA,
CANADA.

P
5012
-92
598

The EDITH *and* LORNE PIERCE
COLLECTION *of* CANADIANA



Queen's University at Kingston

DIRECT TELEGRAPHIC COMMUNICATION THROUGHOUT THE EMPIRE.

TO SIR JOHN LUBBOCK, BART., PRESIDENT SECOND CONGRESS
OF CHAMBERS OF COMMERCE OF THE EMPIRE.

SIR,—I had the honour as delegate from the Board of Trade of the City of Ottawa, Canada, to take my seat at the recent Congress. I listened with the liveliest interest to the addresses which were delivered before a body of men representing the commercial intelligence, the industry, the enterprise, the activity, the power, and the wealth which have extended the honour and the prestige for fair dealing of British merchants to the remotest corners of the world.

There was one subject on the programme relating to the Telegraph System of the Empire, on which I had hoped to have an opportunity of saying a few words. In the absence of the gentleman who had charge of the motion upon this subject it was unfortunately not brought forward, and as I attach to it the greatest importance I desire, with your permission, to submit in this form the following remarks.

The following appeared on page 11 of the programme of business :—

DIRECT TELEGRAPHIC COMMUNICATION THROUGH- OUT THE EMPIRE.

LONDON CHAMBER OF COMMERCE (Sir George Baden Powell,
K.C.M.G., M.P.). *To move :—*

“That, in the opinion of this Congress, the extension of direct telegraphic communication between the component parts of the British Empire, will facilitate defence, promote trade and investments, emphasize community of interests, and generally stimulate the development and consolidation of the Empire.”

MONTREAL CHAMBER OF COMMERCE. *To move :—*

“Whereas an extension of direct telegraphic communication throughout the Empire would considerably facilitate and increase

the commercial relations of the Mother Country and her several Colonies, and be also a source of security and strength in maintaining uninterrupted hourly communication in time of war : and

“Whereas the Atlantic and Canadian systems, now extending to the Pacific Coast, offer special advantages over all other routes, to establish direct telegraphic communication between the Mother Country and Australia through uninterrupted British territory :

Be it resolved :—

“That as an alternate and direct line of communication, a cable should be laid between Australia and Canada, without further delay, the Imperial and Colonial Governments directly interested being respectfully requested to offer such inducements to the constructing Company as may determine the laying of the Pacific Cable at the earliest possible moment.”

I do not propose to dwell on the importance and even the necessity of a complete telegraph system as a means of defending our world-wide Empire, quite apart from its commerce. This almost self-evident proposition has been set forth at other times and places. I shall, as is most fitting on this occasion, consider the subject mainly from its commercial aspects.

A large part of the discussions at the Congress has turned upon drawing more closely the links of connection not only between the Mother Country and the out-lying parts of the Empire, but also between the various great groups of Colonies. The strongest views have been uttered upon this point, and resolutions have been formally presented and unanimously passed, giving expression to the opinion that every step should be taken which would tend to increase the feeling among British subjects in every part of the world that they are one people and that they have common interests in trade and commerce.

That the telegraph has already operated towards this end in a very remarkable way is evident to all, that it may do so still more in the future is equally clear. Few questions, therefore, can have higher claims upon the attention of the Chambers of Commerce of the British Empire than those which relate to telegraphic communications. The application of electricity to telegraphy has given to the world an entirely new means of communication at once the most sensitive and the most useful that the mind of man can conceive. In no department of human activity is its utility more constantly thrust upon us than in the fields of commerce. Everywhere the opening of trade relations is quickly followed by the construction of telegraph lines ; indeed, in new countries, such as Canada and Australia, the telegraph is

not seldom the pioneer of settlement and railways. Everywhere the connection by telegraph and cable stimulates and facilitates commercial intercourse. The extraordinary extent of the change thus brought about is illustrated by the fact, that for communication across the Atlantic no less than ten submarine cables are now in constant use instead of the one which first came into continuous use a quarter of a century ago; it is further strikingly illustrated by the rapid growth of telegraphic intercourse with the East and Australasia, necessitating an increase in the number of wires employed. Already more than 1000*l.* per day are spent on telegraphic communication between the United Kingdom and the Australasian Colonies alone.

British shipping, which controls so large a part of the carrying trade of the world, has come to depend in great measure upon telegraphic advice for its most effective employment. The overwhelming relative interest which British people have in this comparatively modern means of communication is further proved by the fact that out of the 125,000 miles of ocean cable now in existence, at least 90,000 are owned by our people and carried on under their management, leaving only about 35,000 miles or about one-fourth of the whole, for all the other nations of the world. The proportion furnishes no bad measure of the preponderance of British commerce. Great, however, as British enterprise has been in the matter of cable construction, the development of the outlying parts of the Empire is constantly making upon it new demands. One great field has been left entirely untouched, and to it I now wish to direct special attention.

It may almost be taken for granted that as British commerce expands nothing short of a complete system, bridging all the great oceans, will fully satisfy its wants. For the present the Atlantic is not inadequately provided for by the ten cables to which I have referred, while another is now being added to the two laid to South America. The configuration of the Indian Ocean makes the various lines which skirt its coasts satisfy the immediate necessities of the case. The Pacific alone is not traversed by a single line of wire.

That this condition of things presents a serious hindrance to commercial development; that from a strategic point of view it indicates a serious flaw in our National system for the defence of commerce, are positions which appear capable of conclusive proof.

At the present time the two largest divisions of the Empire,

Canada and Australia, though actually separated from each other by only the Pacific Ocean, are telegraphically separated by but little short of the whole circumference of the globe. Both countries have growing interests upon the Pacific; both are manifestly destined to become great powers bordering upon that ocean; and both look forward to an increased commercial intercourse with each other. Circumstances might easily arise in the near future which would make it of the greatest consequence that these two countries should be prepared to exercise their influence jointly in order that it may be exercised most effectually. Obviously for either closer commercial relations or for joint action, better telegraphic connection is all but an absolute necessity. The cost of sending messages from Canada to Australia is now prohibitive for all practical purposes; with a wire traversing the Pacific it would be reduced to the lowest possible figure, since the line would be fully employed as an alternative route for European messages to and from the South Pacific. Australians should remember, too, that easy and cheap communication with Canada means the same with the whole continent of America, so closely are the Canadian and the American systems connected with each other.

When I brought this subject before the Colonial Conference of 1887, to which I was a delegate representing Canada, I proved by arguments and figures which have never yet been refuted, that the cost of sending messages between Great Britain and Australia over the proposed Pacific line would be far cheaper than by any existing route. Since that time the cost of sending such messages has been reduced one half, and yet the cost per word by the Pacific route as then stated by me would be little more than one-half of the present reduced rate by eastern routes. The calculations on which this estimate is based will be found in memoranda submitted to the Conference, and in the discussions thereupon.

I need not dwell upon the evident fact that any considerable cheapening of telegraphic rates would immediately react upon commercial prosperity and activity. How much importance is attached to this aspect of the question is proved by the willingness of the various Australian Governments to give the guarantees which ensured the reductions made in 1891. Actual results confirm this view. The report of the Eastern Extension Telegraph Company, dated April 21st, 1892, conveys the information that the reduction in rates effected last year has already increased the volume of business 48 per cent. over that of 1890, and 60 per cent. over that of 1889.

These observations have hitherto borne mainly on the development of trade. I may now turn to the consideration of another equally important aspect of the question. The defence of trade is as well worthy discussion by Chambers of Commerce as are its development and prosecution. A large proportion of the national thought, a very large part of the national expense, are given to providing means for protecting trade in any great national emergency. In this connection our subject assumes a new importance.

The highest naval authorities are agreed that in time of war the use of the telegraph would furnish one of the most effective means of giving security to the vast commerce of the Empire. Telegraphic orders sent out confidentially by the Admiralty from time to time would indicate to merchant ships the precise course which they should take on both outward and inward voyages. By this means the protecting naval force could be disposed with complete knowledge of the whereabouts of the commerce to be defended, while an enemy would have no such knowledge. It is believed that by making at intervals changes in the routes indicated, greater security could be obtained.

In alluding to this branch of the subject I cannot do better than quote from an excellent authority, Captain R. W. Cragie (Naval Prize Essay, 1892), "The protection of our commerce on the outbreak of war can only be secured by compelling it to follow certain fixed routes; these should be laid down beforehand and called A. B. C. &c., and all shipowners and masters should be acquainted with these routes. On the outbreak of war, all steamers would proceed by the route telegraphed out confidentially from the Admiralty, and the route changed by telegraph when necessary; for instance, one route might pass 50 miles to the eastward of St. Helena, another 100 miles, and so on; by this means our cruisers would know where to find our commerce, but the enemy would not.

"All sailing ships should be stopped and laid up at the same time.

"If these precautions were adopted, our commerce ought not to suffer very severely and there ought to be no panic."

To no part of the commerce of the Empire would such a device for protection be so serviceable as to that of Australasia. Without taking into account the new route by way of Canada which, in emergency, might be used for commercial purposes; if we take into consideration the alternative routes open around Cape Horn

and the Cape of Good Hope, and the vast ocean spaces to be traversed, it will be seen that this system might give to Australasian trade an almost complete immunity from attack except in the immediate neighbourhood of European waters, where the strongest force would be available for its defence; merchants and shippers will readily understand that among other advantages there would result an enormous money saving from reduced risks and insurance charges.

But the execution of any such plan manifestly depends upon the completeness and security of a national telegraph service around the globe. A glance at a telegraphic map of the world shows that at present we have no such complete and secure service. England has four possible main lines of connection with the East and Australasia. One goes by way of Gibraltar, Malta, Egypt, and the Red Sea. Another passing through France, Italy, and Greece also goes on to the Red Sea. A third traverses Germany, Austria, Turkey, Russia and Persia. A fourth crosses Russia to the Pacific, whence it connects to the south with Chinese and Indian lines. Perhaps the route now completed around Africa should be mentioned as a fifth alternative. But with all these lines it is for national purposes in time of war a fatal defect that they pass through possibly hostile countries, where they would be useless to us, or through shallow seas where the cables could be easily fished up and destroyed. For issuing instructions, such as have been mentioned, to the merchant ships of our Southern Colonies and our Eastern dependencies, not one of these Eastern lines could in time of war be depended upon for a single day.

A line across the Pacific, on the other hand, would not only be far removed from the political storm centres of the European continent, but would have two other great advantages—first, it would pass entirely over British soil, and second, that it would pass chiefly through deep seas where it could only be destroyed with great difficulty. It would complete the circle of communication around the Empire. From a strategic point of view, then, the value of such a line in time of war would be immeasurable. So striking seems the necessity for its construction, that we may fairly argue that even if the line were for a time commercially unprofitable, the Governments of the Mother Land and the Colonies would be fully justified in bearing a portion of the expense, for the sake of the added guarantee of national security which it would give.

The importance attached to the question of a Pacific cable by

the Colonial Conference of 1887 led to the following minutes being unanimously assented to and recorded in the proceedings:—

“1st. That the connection recently formed through Canada from the Atlantic to the Pacific by railway and telegraph opens a new alternative line of Imperial communication over the high seas and through British possessions, which promises to be of great value alike in naval, military, commercial and political aspects.

“2nd. That the connection of Canada with Australia by direct submarine telegraph across the Pacific is a project of high importancé to the Empire, and every doubt as to its practicability should, without delay, be set at rest by a thorough and exhaustive survey.”

Following up these, and more specific representations of the members of the Conference, the Admiralty was induced to undertake a nautical survey to test the practicability of the route. The survey has been carried on during the intervening years. The soundings are all that could be desired, proving as they do the existence of a sea floor probably not less favourable for cable laying than that of the Atlantic which is used for this purpose. That the results of the survey are satisfactory may be judged from the fact that sounding operations have been closed, and the Admiralty have taken possession of a number of islands in the Pacific for the purpose of establishing mid-ocean stations whenever they may be required.

The Canadian Government has, on more than one occasion, indicated its willingness to give substantial support to this scheme of telegraph connection across the Pacific with Asia and Australia. At one time it had arranged for a special deputation to proceed to Australia to confer with the Governments of the various Colonies upon this and kindred subjects, the chief member of the deputation being the present premier of the Dominion, Sir John Abbott. The delay in sending this deputation was entirely due to the occurrence of political movements in Australia which seemed to render the time chosen inopportune.

Canadians may fairly claim that they have some right to press the matter of cable extension on the Pacific from a national point of view, since such an extension would be the natural complement of what they have done towards British consolidation. The great enterprise by which the Dominion has been spanned by a trans-continental railway and telegraph system has not only opened up new and immense fields for national growth, but has made great

changes in the strategic relations of the Empire. It has reduced by more than one half the time required for supplying a Pacific squadron with drafts of men, or with arms or naval stores. It has provided an alternative military route to the far east. It has given the opportunity for a greatly improved postal service with Japan and other eastern countries. It has led to the establishment of a line of fast steamships, capable of being easily changed into armed cruisers, upon the north Pacific, while it has opened up the way for a similar line of steamers to the sister Colonies in the South Pacific, for the establishment of which the Parliament of Canada has already voted a liberal subsidy.

Representing as I do the Board of Trade of the Capital of the Dominion it is natural and proper that I should speak as a Canadian, and I may be pardoned for pointing out on behalf of Canada that it is in the genuine spirit of British enterprise that she desires to stretch out her arms to Asia and to Australia. Have not Canadians been associated from the first with the development of the great modern means of inter-communication? The man is yet alive who designed and built the first ship to cross the ocean under steam. That man, James Goudie, was born in Canada, and that ship, the *Royal William*, was built at Quebec sixty-one years ago. It was the *Royal William* which inspired Samuel Cunard, himself a Canadian, to establish the great line which bears his name. The man is yet alive who assisted in driving the locomotive of the first passenger train on any railway in the world, and that man, Charles Whitehead, has been from the earliest days and still is connected with the railways of Canada. The man is yet alive who projected and took no small part in establishing the first Atlantic cable, and that man, Francis Gisborne, continues to serve the Canadian Government as superintendent of telegraphs.

While I point with some pride to what has been done by Canada and by Canadians, we all recognize similar evidences of national spirit and enterprise in Australia and New Zealand, indeed throughout the whole Colonial Empire. It is by evidences such as these that British people throughout the world are made to feel that they do indeed belong to one great nation. And we have only to glance back but a few years, not even so far as the commencement of the reign of our present sovereign, to see the wondrous advance which has been made.

The national progress is largely due to the twin agencies, steam and electricity, which a beneficent providence for wise and good

reasons has been pleased to place at our command. It is impossible to believe that this remarkable advance is suddenly to be arrested. If we do well our part, will not the progress of the Britannic Empire continue? Will not the next century, even the next generation, display a condition of national development beyond our present dreams. Those who are familiar with the great Colonies and know their possibilities will have no difficulty in understanding that they are merely in their infancy, and precisely as the trunk of a great tree increases in size, solidity and strength around the circumference, so likewise it is in these vast continental possessions of the Queen that Her Majesty's new Empire is to grow and expand into colossal dimensions.

But if we are to keep the Empire intact, if we are to combine all the parts into a lasting whole we must connect the units by commerce and by every cord of attachment. To extend, expand, strengthen, consolidate, build up and maintain the new united Empire, we must without delay take means to obtain the freest and best intercourse between all the parts. In establishing the telegraph system of the United Empire we cannot do better than take for our model the telegraph system of the United Kingdom, where all centres of business are telegraphically connected. The British Islands are covered with a network of wires; places the most remote as well as those in close proximity can exchange communications on the same easy terms. Caithness and Cornwall are telegraphically as near each other as adjoining parishes, and it should be our steady aim to bring into similar close telegraphic contact every land which is British in the two hemispheres.

The telegraph is the nervous system of commerce. A complete telegraph system will be as indispensable to the commerce of the new Empire, which is being developed, as the nervous system is to the human body. No human being can remain in healthful life with a defective nervous system. If the nerves become seriously impaired to any one of us, who can tell what disaster may follow? So, likewise, in the sphere of commerce. If we place our reliance on a telegraph system so insufficient and so exposed that it may receive fatal injury from causes beyond our control, trade and shipping may, at the first critical moment, be completely paralyzed. The desired telegraph system should be one which would bring every unit of the Empire within easy electric touch. If we are to build up a great British commercial union, the first essential step is to bring every British community throughout the world into direct telegraphic connection.

These considerations lead me to think it a matter of supreme importance to trade and shipping; to the expansion and support of British interests, that the telegraph should as speedily as possible be extended across the Pacific Ocean. The day is not far distant when the Pacific will be traversed, as the Atlantic is, by many cables, but we must take one step at a time, and the first step which circumstances demand is undoubtedly that which will give to Australia an alternative line of telegraphic connection with England. In my humble judgment this step is of vital importance to the Empire as a whole, and I appeal to every one of the delegates who constituted the Parliament of Trade and Commerce which recently met in London; I appeal to every British merchant at home and abroad; I appeal to every Chamber of Commerce, within Her Majesty's dominions, to urge upon the Home and Colonial Governments that the establishment of this cable should not be long delayed. There is no section of the globe's surface where a telegraph is more needed; nowhere within the influence of the Empire would it serve purposes more important. The spanning of the Pacific Ocean by the electric wire will be of immense advantage to British shipping; it will stimulate the development of new trade; it will strengthen the attachment of the great sister colonies on both sides of the ocean to the mother land; it will effectively promote that Britannic union of trade and commerce so earnestly desired by every speaker at the recent Congress of Chambers of Commerce of the Empire.

I have the honour to be,

Sir,

Your obedient servant,

SANDFORD FLEMING.

July 1st, 1892.